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TvB

TRENDS
IN TELEVISION

Prepared by the Research Department

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Television Bureau of Advertising, Inc. · 477 Madison Avenue · New York, NY 10022

TRENDS IN TELEVISION

Contents

	Page
Highlights	2
Television Households	3
Multi-Set & Color TV Households	4
Cable, Pay Cable and VCR Households	5
Television Sets	6
Time Spent Viewing	7
Television Set Sales	8
Commercial Television Stations	9
Advertising Volume In The United States	10
Television Advertising Volume	11
Station Time Sales	12
Non-Network Television Commercial Activity	13
Network Television Commercial Activity	14
Number of Advertisers and Brands Using TV	15

Highlights

* TV penetration is holding at 98.1%. (page 3)

* 94.6% of the TV households have color, while 58.8% have two or more sets. (page 4)

* Cable penetration is currently at 47.7% while pay cable is at the 26.1% level, down from 26.6% last year. VCR penetration is up to 48.7%, passing cable for the first time. (page 5)

* TV set production continues to grow with 1986 topping the 25 million mark for the first time. (page 6)

* Total ad volume tops the $100 billion mark for the first time in 1986 with television accounting for a 21.8% share of the total. (page 10)

* 15-second commercials now account for 20.9% of all network activity but represent only 3.5% on the station side. (pages 13&14)

TELEVISION--HOUSEHOLDS

	Total U.S. Households (000)	TV Households (000)	% With TV
1950	43,000	3,880	9.0
1951	43,890	10,320	23.5
1952	44,760	15,300	34.2
1953	45,640	20,400	44.7
1954	46,660	26,000	55.7
1955	47,620	30,700	64.5
1956	48,600	34,900	71.8
1957	49,500	38,900	78.6
1958	50,370	41,920	83.2
1959	51,150	43,950	85.9
1960	52,500	45,750	87.1
1961	53,170	47,200	88.8
1962	54,300	48,855	90.0
1963	55,100	50,300	91.3
1964	55,900	51,600	92.3
1965	56,900	52,700	92.6
1966	57,900	53,850	93.0
1967	58,900	55,130	93.6
1968	59,900	56,670	94.6
1969	61,300	58,250	95.0
1970	61,410	58,500	95.3
1971	62,910	60,100	95.5
1972	64,850	62,100	95.8
1973	67,210	64,800	96.4
1974	68,310	66,200	96.9
1975	70,520	68,500	97.1
1976	71,460	69,600	97.4
1977	73,100	71,200	97.4
1978	74,700	72,900	97.6
1979	76,240	74,500	97.7
1980	77,900	76,300	97.9
1981	81,480	79,900	98.1
1982	83,120	81,500	98.1
1983	84,940	83,300	98.1
1984	85,430	83,800	98.1
1985	86,530	84,900	98.1
1986	87,590	85,900	98.1
1987	89,130	87,400	98.1

Source: NBC, 1950-69, Jan. each year; A.C. Nielsen, 1970-79, Sept. Prior year, Jan. each year starting in 1980. (Excludes Alaska & Hawaii.)

MULTI-SET & COLOR TV HOUSEHOLDS

	Multi-Set Households (000)	% of TV Households	Color TV Households (000)	% of TV Households
1950	40	1.0	----	----
1951	150	1.5	----	----
1952	280	1.8	----	----
1953	450	2.2	----	----
1954	720	2.7	----	----
1955	875	2.9	5	0.0
1956	1,600	4.6	18	0.1
1957	2,330	6.0	85	0.2
1958	3,420	8.2	165	0.4
1959	4,200	9.6	250	0.6
1960	5,500	12.0	340	0.7
1961	6,200	13.1	445	0.9
1962	6,850	14.0	590	1.2
1963	7,875	15.7	950	1.9
1964	9,075	17.6	1,610	3.1
1965	10,225	19.4	2,810	4.9
1966	11,850	22.0	5,220	9.7
1967	13,930	25.3	9,000	16.3
1968	15,970	28.2	13,700	24.2
1969	17,990	30.9	18,660	32.0
1970	18,840	32.2	20,910	35.7
1971	20,790	34.6	24,650	41.0
1972	22,360	36.0	30,200	48.7
1973	24,490	37.8	35,870	55.4
1974	26,810	40.5	41,210	62.3
1975	28,360	41.4	46,850	68.4
1976	30,000	43.1	51,230	73.6
1977	31,880	44.8	54,870	77.1
1978	33,690	46.2	56,850	78.0
1979	36,040	48.4	60,290	80.9
1980	38,260	50.1	63,350	83.0
1981	39,800	51.2	66,250	85.2
1982	43,280	53.1	71,390	87.6
1983	45,400	54.5	73,890	88.7
1984	45,840	54.7	75,810	90.5
1985	48,220	56.8	77,660	91.5
1986	48,660	56.6	80,080	93.2
1987	51,400	58.8	82,680	94.6

Source: NBC, 1950-69, Jan. each year; A.C. Nielsen, 1970-79, Sept. Prior Year, Jan. each year starting in 1980. (Excludes Alaska & Hawaii.)

CABLE, PAY CABLE & VCR HOUSEHOLDS

	Cable Households (000)	% of TV Households	Pay Cable Households (000)	% of TV Households	VCR Households (000)	% of TV Households
1965	1,300	2.3	--	--	--	--
1966	1,900	3.3	--	--	--	--
1967	2,300	3.9	--	--	--	--
1968	2,800	4.7	--	--	--	--
1969	3,500	5.7	--	--	--	--
1970	3,900	6.7	--	--	--	--
1971	4,600	7.7	--	--	--	--
1972	5,700	9.2	--	--	--	--
1973	6,600	10.2	--	--	--	--
1974	7,700	11.6	--	--	--	--
1975	8,600	12.6	140	0.2	--	--
1976	10,100	14.5	470	0.7	--	--
1977	11,300	15.9	980	1.4	--	--
1978	12,500	17.1	1,600	2.2	200	0.3
1979	13,600	18.3	3,100	4.2	400	0.5
1980	15,200	19.9	5,200	6.8	840	1.1
1981	17,830	22.3	8,100	10.1	1,440	1.8
1982	24,290	29.8	12,600	15.5	2,530	3.1
1983	28,320	34.0	16,160	19.4	4,580	5.5
1984	32,930	39.3	19,820	23.7	8,880	10.6
1985	36,340	42.8	21,840	25.7	17,660	20.8
1986	39,160	45.6	22,840	26.6	30,920	36.0
1987	41,690	47.7	22,850	26.1	42,560	48.7

Source: Cable--A.C. Nielsen (NTI)
TvB estimates for pay cable prior to 1982.
VCR--A.C. Nielsen (NSI)
TvB estimates prior to 1984.

TELEVISION SETS

	In Home (000)	Avg. # Sets Per Household	Avg. # Sets Per Multi-Set Household
1950	3,925	1.01	2.12
1951	10,485	1.01	2.10
1952	15,615	1.02	2.12
1953	20,905	1.02	2.12
1954	26,800	1.02	2.11
1955	31,700	1.03	2.14
1956	36,520	1.05	2.01
1957	41,400	1.06	2.07
1958	45,590	1.09	2.07
1959	48,500	1.10	2.08
1960	51,700	1.13	2.08
1961	53,900	1.14	2.08
1962	56,375	1.15	2.10
1963	58,950	1.17	2.10
1964	61,675	1.20	2.11
1965	64,250	1.22	2.13
1966	67,300	1.25	2.14
1967	71,300	1.29	2.16
1968	75,300	1.33	2.17
1969	79,660	1.37	2.19
1970	81,040	1.39	2.20
1971	85,290	1.42	2.21
1972	89,770	1.45	2.24
1973	95,330	1.47	2.25
1974	100,020	1.51	2.26
1975	105,460	1.54	2.30
1976	108,890	1.56	2.31
1977	113,440	1.59	2.32
1978	118,630	1.63	2.36
1979	124,570	1.67	2.39
1980	128,190	1.68	2.36
1981	132,260	1.70	2.37
1982	142,460	1.75	2.41
1983	148,910	1.79	2.45
1984	149,180	1.78	2.43
1985	155,410	1.83	2.46
1986	157,500	1.83	2.47
1987	162,750	1.86	2.47

Source: NBC, 1950-69, Jan. each year; A.C. Nielsen, 1970-79, Sept. Prior year, Jan. each year starting in 1980. (Excludes Alaska & Hawaii.)

TIME SPENT VIEWING
Per TV Home--Per Day

	Avg. Hours per Day
1950	4 hr. 35 min.
1951	4 hr. 43 min.
1952	4 hr. 49 min.
1953	4 hr. 40 min.
1954	4 hr. 46 min.
1955	4 hr. 51 min.
1956	5 hr. 1 min.
1957	5 hr. 9 min.
1958	5 hr. 5 min.
1959	5 hr. 2 min.
1960	5 hr. 6 min.
1961	5 hr. 7 min.
1962	5 hr. 6 min.
1963	5 hr. 11 min.
1964	5 hr. 25 min.
1965	5 hr. 29 min.
1966	5 hr. 32 min.
1967	5 hr. 42 min.
1968	5 hr. 46 min.
1969	5 hr. 50 min.
1970	5 hr. 56 min.
1971	6 hr. 2 min.
1972	6 hr. 12 min.
1973	6 hr. 15 min.
1974	6 hr. 14 min.
1975	6 hr. 7 min.
1976	6 hr. 18 min.
1977	6 hr. 10 min.
1978	6 hr. 17 min.
1979	6 hr. 28 min.
1980	6 hr. 36 min.
1981	6 hr. 45 min.
1982	6 hr. 48 min.
1983	7 hr. 2 min.
1984	7 hr. 8 min.
1985	7 hr. 10 min.
1986	7 hr. 8 min.

Source: A.C. Nielsen Co., annual averages

TELEVISION SET PRODUCTION
(Domestic & Imports)

	Monochrome (000)	Color (000)	Total (000)
1950	7,355	----	7,355
1951	5,312	----	5,312
1952	6,194	----	6,194
1953	6,870	----	6,870
1954	7,405	5	7,410
1955	7,738	20	7,758
1956	7,351	100	7,451
1957	6,388	85	6,473
1958	5,051	80	5,131
1959	6,278	90	6,368
1960	5,709	120	5,829
1961	6,168	147	6,315
1962	6,696	438	7,134
1963	7,236	747	7,983
1964	8,360	1,404	9,764
1965	8,753	2,694	11,447
1966	7,702	5,012	12,714
1967	6,001	5,563	11,564
1968	6,996	6,215	13,211
1969	7,117	6,191	13,308
1970	6,900	5,320	12,220
1971	7,647	7,274	14,921
1972	8,239	8,845	17,084
1973	7,297	10,071	17,368
1974	6,868	8,411	15,279
1975	4,418	6,219	10,637
1976	5,937	8,194	14,131
1977	6,090	9,341	15,431
1978	6,732	10,674	17,406
1979	6,576	10,043	16,619
1980	6,729	11,803	18,532
1981	6,056	12,423	18,479
1982	4,922	11,484	16,406
1983	5,647	14,034	19,681
1984	5,194	17,190	22,384
1985	6,472	16,905	23,377
1986	6,577	19,010	25,587

Source: Electronic Industries Association (EIA)
*Preliminary (TvB)

COMMERCIAL TELEVISION STATIONS

	Total	VHF	UHF
1950	98	98	0
1951	107	107	0
1952	108	108	0
1953	126	120	6
1954	354	233	121
1955	411	297	114
1956	441	344	97
1957	471	381	90
1958	495	411	84
1959	510	433	77
1960	515	440	75
1961	527	451	76
1962	541	458	83
1863	557	466	91
1964	564	476	88
1965	569	481	88
1966	585	486	99
1967	610	492	118
1968	635	499	136
1969	662	499	163
1970	677	501	176
1971	682	503	179
1972	693	508	185
1973	697	510	187
1974	697	513	184
1975	706	514	192
1976	701	511	190
1977	711	515	196
1978	716	515	201
1979	724	515	209
1980	734	516	218
1981	756	519	237
1982	777	517	260
1983	813	519	294
1984	841	523	318
1985	883	520	363
1986	924	522	402
1987	971	524	447

Source: Television Digest, January 1st each year.

ADVERTISING VOLUME IN THE UNITED STATES
(In Millions)

	Total Ad Volume	Television Ad Volume	% in TV
1950	$5,700	$171	3.0
1951	6,420	332	5.2
1952	7,140	454	6.4
1953	7,740	606	7.8
1954	8,150	809	9.9
1955	9,150	1,035	11.3
1956	9,910	1,225	12.4
1957	10,270	1,286	12.5
1958	10,310	1,387	13.5
1959	11,270	1,529	13.6
1960	11,960	1,627	13.6
1961	11,860	1,691	14.3
1962	12,430	1,897	15.3
1963	13,100	2,032	15.5
1964	14,150	2,289	16.2
1965	15,250	2,515	16.5
1966	16,630	2,823	17.0
1967	16,870	2,909	17.2
1968	18,090	3,231	17.9
1969	19,420	3,585	18.5
1970	19,550	3,596	18.4
1971	20,700	3,534	17.1
1972	23,210	4,091	17.6
1973	24,980	4,460	17.9
1974	26,620	4,854	18.2
1975	27,900	5,263	18.9
1976	33,300	6,721	20.2
1977	37,440	7,612	20.3
1978	43,330	8,955	20.7
1979	48,780	10,154	20.8
1980	53,550	11,416	21.3
1981	60,430	12,764	21.1
1982	66,680	14,489	21.8
1983	75,850	16,489	21.7
1984	87,820	19,528	22.2
1985	94,750	20,543	21.7
1986	102,140	22,264	21.8

Source: McCann-Erickson

TELEVISION ADVERTISING VOLUME
(In Millions)

	Network	Spot	Local	Nat'l Synd.	Total
1950	$85	$31	$55	$--	$171
1951	181	70	81	--	332
1952	256	94	104	--	454
1953	320	145	141	--	606
1954	422	207	180	--	809
1955	550	260	225	--	1,035
1956	643	329	253	--	1,225
1957	690	352	244	--	1,286
1958	742	397	248	--	1,387
1959	776	486	267	--	1,529
1960	820	527	280	--	1,627
1961	887	548	256	--	1,691
1962	976	629	292	--	1,897
1963	1,025	698	309	--	2,032
1964	1,132	806	351	--	2,289
1965	1,237	892	386	--	2,515
1966	1,393	988	442	--	2,823
1967	1,455	988	466	--	2,909
1968	1,523	1,131	577	--	3,231
1969	1,678	1,253	654	--	3,585
1970	1,658	1,234	704	--	3,596
1971	1,593	1,145	796	--	3,534
1972	1,804	1,318	969	--	4,091
1973	1,968	1,377	1,115	--	4,460
1974	2,145	1,497	1,212	--	4,854
1975	2,306	1,623	1,334	--	5,263
1976	2,857	2,154	1,710	--	6,721
1977	3,460	2,204	1,948	--	7,612
1978	3,975	2,607	2,373	--	8,955
1979	4,599	2,873	2,682	--	10,154
1980	5,130	3,269	2,967	50	11,416
1981	5,575	3,746	3,368	75	12,764
1982	6,210	4,364	3,765	150	14,489
1983	7,017	4,827	4,345	300	16,489
1984	8,526	5,488	5,084	430*	19,528
1985	8,285	6,004	5,714	540*	20,543
1986	8,570	6,570	6,514	610*	22,264

Source: McCann-Erickson
*TvB Estimate

STATION TIME SALES
(In Millions)

	Network Compensation	Spot*	Local*	Total
1950	$12.3	$25.0	$30.4	$67.7
1951	34.2	59.7	51.3	145.2
1952	50.8	80.2	65.2	196.2
1953	59.9	124.3	88.5	272.7
1954	85.6	176.8	120.1	382.5
1955	109.2	222.4	149.8	481.4
1956	128.0	281.2	174.2	583.4
1957	136.9	300.5	174.0	611.4
1958	147.0	345.2	181.3	673.5
1959	158.0	424.2	200.6	782.8
1960	164.7	459.2	215.8	839.7
1961	184.4	480.1	199.6	864.1
1962	201.8	554.1	227.9	983.8
1963	202.7	616.0	240.8	1,059.5
1964	214.5	710.8	275.7	1,201.0
1965	230.3	785.7	302.9	1,318.9
1966	244.2	871.7	346.4	1,462.3
1967	245.9	871.7	364.8	1,482.4
1968	247.6	998.0	452.3	1,697.9
1969	254.1	1,108.1	519.0	1,881.2
1970	240.1	1,092.4	563.1	1,895.6
1971	229.9	1,013.2	636.8	1,879.9
1972	224.5	1,167.4	778.1	2,170.0
1973	233.0	1,221.1	895.7	2,349.8
1974	248.3	1,329.2	979.4	2,556.9
1975	258.3	1,441.4	1,079.8	2,779.5
1976	269.9	1,915.9	1,386.6	3,572.4
1977	287.8	1,960.3	1,586.4	3,834.5
1978	314.9	2,326.5	1,987.1	4,628.5
1979	344.4	2,562.6	2,243.1	5,150.1
1980	368.8	2,920.2	2,483.8	5,772.8
1981	391.0	3,358.0	2,832.0	6,581.0
1982	411.0	3,939.0	3,172.0	7,512.0
1983	427.0	4,361.0	3,648.0	8,436.0
1984	436.0	4,972.0	4,268.0	9,676.0
1985	453.0	5,419.0	4,780.0	10,652.0
1986	462.0	5,907.0	5,449.0	11,818.0

*Before commissions to agencies, representatives and others.

Source: FCC, 1950-80; TvB estimates 1981-1986.

NON-NETWORK TELEVISION COMMERCIAL ACTIVITY
BY LENGTH OF COMMERCIAL

	10's	20's	30's	P/B's	45's	60's+	Total
1965	16.1%	13.3%	0.8%	5.1%	--%	64.0%	100.0%
1966	15.6	12.7	0.8	8.8	--	61.5	100.0
1967	16.1	12.3	3.0	11.5	--	56.7	100.0
1968	14.0	10.6	16.0	11.8	--	47.2	100.0
1969	12.3	7.7	32.0	11.4	--	36.2	100.0
1970	11.8	4.5	48.1	9.0	--	26.5	100.0
1971	12.1	2.4	60.5	4.1	--	20.7	100.0
1972	11.6	1.2	67.4	1.8	--	17.8	100.0
1973	9.8	0.9	72.7	1.2	--	15.2	100.0
1974	8.9	0.6	77.0	0.8	--	12.6	100.0
1975	9.1	0.5	79.2	0.8	--	10.4	100.0
1976	8.1	0.5	82.2	0.9	--	8.3	100.0
1977	8.2	0.4	82.2	0.8	--	8.3	100.0
1978	7.8	0.2	83.8	--	--	7.4	100.0
1979	8.2	0.2	83.9	--	0.1	7.6	100.0

	10's	15's	20's	30's	45's	60's	90's+	Total
1980	7.8%	--%	0.2%	85.1%	0.2%	3.9%	2.8%	100.0%
1981	7.1	--	0.1	86.2	0.5	3.4	2.7	100.0
1982	6.0	--	0.1	87.5	0.8	3.3	2.3	100.0
1983	6.0	--	0.1	87.8	1.2	2.9	2.0	100.0
1984	5.8	0.4	0.1	88.2	0.7	2.8	2.0	100.0
1985	5.5	1.3	0.1	88.0	0.6	2.7	1.8	100.0
1986	4.9	3.5	0.1	86.3	0.4	2.9	1.9	100.0

Source: BAR, annual average

Note: 60's+ were not broken down prior to 1980.

NETWORK TELEVISION COMMERCIAL ACTIVITY
BY LENGTH OF COMMERCIAL

	% of Total					
	10's	30's	45's	P/B's	60's	Total*
1965	--%	0.0%	--%	23.3%	76.7%	100.0%
1966	--	0.0	--	31.5	68.5	100.0
1967	--	6.4	--	43.3	49.2	100.0
1968	--	7.9	--	50.4	40.1	100.0
1969	--	14.4	--	50.8	33.9	100.0
1970	--	25.1	--	47.2	27.0	100.0
1971	--	53.3	--	30.3	15.8	100.0
1972	--	67.6	--	21.9	10.3	100.0
1973	--	71.8	--	19.4	8.5	100.0
1974	--	75.4	--	17.5	6.8	100.0
1975	--	79.0	--	14.7	5.6	100.0
1976	--	80.2	--	13.3	5.8	100.0
1977	--	81.8	0.1	12.9	4.5	100.0
1978	0.5	82.6	0.7	12.6	3.3	100.0
1979	0.6	83.3	0.8	12.3	2.8	100.0

	10's	15's	20's	30's	45's	60's	90's+	Total
1980	0.7%	--%	--%	94.6%	2.7%	1.9%	0.1%	100.0%
1981	0.9	0.1	--	94.2	3.2	1.5	0.1	100.0
1982	0.9	0.1	--	93.7	3.7	1.5	0.1	100.0
1983	0.9	0.2	--	93.8	2.9	1.8	0.4	100.0
1984	1.0	5.2	--	89.2	2.0	2.1	0.5	100.0
1985	1.3	10.1	0.8	83.5	1.7	2.2	0.4	100.0
1986	0.5	20.9	1.2	73.6	1.4	1.8	0.6	100.0

Source: BAR, annual average

Note: Since 1980 each segment of a piggybacked commercial appears under its own length. A 45/15 is counted once under 45 second, once under 15 second. A split 30 (15/15) is counted twice under 15 second.

NUMBER OF ADVERTISERS AND BRANDS
USING TELEVISION

	Network TV		Spot TV	
	# Adv.	# Brands	# Adv.	# Brands
1970	427	2,348	1,782	9,209
1971	432	2,232	2,080	9,930
1972	479	2,226	2,065	10,340
1973	487	2,275	2,010	9,700
1974	516	2,075	2,181	9,508
1975	513	2,132	2,451	10,031
1976	554	2,237	2,469	10,529
1977	551	2,384	2,426	10,888
1978	567	2,498	2,566	10,839
1979	574	2,491	2,627	10,854
1980	558	2,522	2,598	10,612
1981	565	2,585	2,568	10,702
1982	593	2,475	2,384	10,139
1983	602	2,597	2,307	10,332
1984	629	2,725	2,275	9,970
1985	606	2,713	2,211	10,236
1986	638	2,837	2,155	10,697

Source: BAR